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SEP 12 2002

Lawrence Robertson, Esq.  
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Tucson, Arizona 85711

DOCKETED BY

RE: Bowie Power Station, L.L.C.  
Docket No. L-00000B-01-0118  
Decision Nos. 64625 and 64626 – Response to August 29, 2002 Letter

Dear Mr. Robertson:

Staff of the Utilities Division ("Staff") of the Arizona Corporation Commission ("Commission") appreciates the disclosure by Bowie Power Station, L.L.C. ("Bowie") regarding new developments with the power project approved by this Commission in Decision Nos. 64625 and 64626. It was Staff's understanding that Bowie would be presenting its position in writing as to why the changes discussed with Staff are still in compliance with the Certificates of Environmental Compatibility ("CEC") approved by this Commission in the above-cited decisions. Before Staff could confirm that such changes are still in compliance, Staff would need a written request for such a review.

Staff appreciates the copies of the Notice of Self-Certification as a Qualifying Facility ("QF") that Bowie filed with the Federal Energy Regulatory Commission ("FERC") on August 8, 2002. This information will prove helpful, as will the Application for Determination of Exempt Wholesale Generator Status with FERC once that application is filed. However, Staff will need the following additional information as part of its review procedure:

1. As a result of the new developments, what material changes exist between what Bowie stated in the application, testimony and/or admitted exhibits and the current realities for the project.
2. As a result of the new developments, what are the changes between what was granted in the CEC and what the current realities are for the project.
3. As a result of the new developments, how do all of those changes affect any of the factors listed under A.R.S. § 40-360.06 and A.R.S. § 40-360.07(B)<sup>1</sup>. For instance, how does the

<sup>1</sup> Those affects could be positive, negative, or nil on any of the environmental factors under A.R.S. § 40-360.06 and need/reliability under A.R.S. § 40-360.07.

Lawrence V. Robertson, Esq.

September 12, 2002

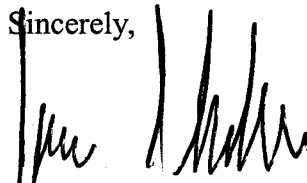
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fact that the steam originally intended for steam turbines that is now going to a hydroponics nursery affect the factors listed in the statutes cited above.

4. Whether, as a result of the new developments, any of the changes are substantial as to require an A.R.S. § 40-252 proceeding and whether changes to the CEC are needed to reflect the new realities of the Bowie project.

Staff agrees to work with your client and review any written request submitted by Bowie. Should you have any questions or concerns, please feel free to contact me. Thank you.

Sincerely,



Jason D. Gellman  
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Arizona Corporation Commission  
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JDG:alb

Enclosure

cc: Steve Olea  
Jerry Smith  
Prem Bahl